THE WEEK THAT JUST WAS

VOL. 1. NO. 5. (to November 29, 1998)

BB=Bilderberger CFR=Council on Foreign Relations M=Mason RS=Rhode Scholar TC=Trilateralist

GOVERNORS GALORE GO TO ISRAEL-INCLUDING FRONT-RUNNER BUSH

On ABC's This Week last Sunday analyst Bill Kristol said that at the GOP Governors gathering in New Orleans "every Republican political operative in the world (was) trying to leech on to the prospective G. W. Bush candidacy."

Tuesday (Reuters Nov. 24) George Walker Bush (S&B 1968) began a trip to the Middle East in Cairo, Egypt at the invitation of his father. Bush spokeswoman Mindy Tucker said that the elder Bush was a guest of the Mansour Group-a private business conglomerate. The Governor will go to Israel Sunday for a four-day visit accompanied by GOP Governors Paul Cellucci of Massachusetts, Marc Racicot of Montana and Michael Leavitt of Utah. Talks with Ariel Sharon and Ezer Wizman were confirmed as scheduled by a U.S. Jewish newspaper. Bush (Austin American-Statesman Nov. 26) will meet with Netanyahu, Cabinet ministers, leaders of the Knesset and officials from the opposition party. A session with Arafat is possible. Tucker said Bush was "anxious to visit the roots of his faith." A wreath will be laid at the grave of Yitzhak Rabin (33rd M)--the late P.M. of Israel. No public events are scheduled. Bush's visit is being sponsored by the National Jewish Coalition-billed as "the Jewish voice of the GOP."

Leavitt was quoted on November 27, 1994: "(R)ecently states have been relegated to subordinate status, becoming more and more like administrative units of the national government."

FATHER BUSH MAKES PRIVATE VISIT TO EGYPT

On Tuesday (AP Nov. 24) George Herbert Walker Bush (CFR/M/S&B1948/TC) began a 4-day visit in Egypt as the guest of his friend President Hosni Mubarak. It has long been predicted that the elder Bush will also visit Egypt to celebrate the beginning of the Millennium.

JOHN FORBES KERRY FORMS PAC

Senator John Kerry (CFR/S&B 1966) has formed a PAC (Reuters Nov. 25). He has told associates he may lift his longtime ban on accepting PAC money because it is so time-consuming to raise contributions. The chances of successfully

challenging Vice-President Gore went down considerably as Janet Reno decided against appointing a special prosecutor.

REPUBLICANS "FURIOUS" WITH RENO'S GORE DECISION

Thomas "Tom" John Brokaw (CFR), anchor of the most watched news show, said on NBC News (Nov. 24) that Republicans are"furious" at Attorney General Janet Reno for not appointing a special prosecutor to investigate Vice-President Al. Gore, Jr. (CFR/M). A 19-page Reno report found no "reasonable support for a conclusion that the Vice President may have lied."

JFK TAPE EXERPTS FEATURED ON NBC NEWS (Nov. 24)

On Tuesday the JFK Library made public 37 hours of President Kennedy's recordings. Just before his death JFK (CFR) regretted the South Vietnam coup against Ngo Diem: "I feel that we must bear a good deal of responsibility for it beginning with our cable of early August in which we suggested the coup." JFK also said: "The way he was killed made it particularly abhorrent." William Mark LeoGrande (CFR), Director of the *World Policy Journal* (identified on the screen as a "Political Scientist") said JFK listened to a wide variety of advisers and told Ike (CFR) he had no plans to invade Cuba.

Starting in 1955 Ngo Dinh Diem was president of the U.S.-backed government of South Vietnam. In 1961 he was re-elected but his army failed to stop the Viet Cong rebels. Civilians resented his authoritarian rule. Seven Buddhist monks in May of 1963 immolated themselves. After anti-government demonstrations, army commanders, with JFK administration approval, staged a coup. Diem and his brother, Ngo Dinh Nhu (head of the secret police) were killed.

CREDIT CARDS CHARGED WITH LACK OF COMPETITION

Last year (News Hour Nov. 26) Americans used credit cards to buy $1 trillion worth of goods. There are two main dominant charge cards-Visa (55%) and MasterCard (25%). The DOJ has filed its anti-trust suit, in part, because the two use networks that are owned by the same group of banks (Riggs National Bank shown on screen). Both have policies excluding banks from using other cards such as Discovery and American Express (which now has 18% of the market). Attorney Lloyd Constantine stated: "It's really sort of a two-headed dragon. The banks are the owners of both associations. The banks are the governors of both associations and the banks issue both of the cards. And so...there is very little real competition." 3.5 million retailers in the U.S. pay fees to Visa and MasterCard. Constantine also said: "Visa and MasterCard are probably the most long-standing and most effective cartel in the history of the United States." He said that by 2005 there will be more than $1 trillion in annual transactions with debit cards (a form

of electronic cash withdrawal from checking accounts). Cash or checks are used in 90% of retail transactions now in the U.S.

MERGERS, DESCRIBED AS COMPANIES IN LOVE BY THE AP, ARE UP AGAIN

A one-day tally of at least 10 mergers, totaling some $36 to $40 billion, took stocks up on Monday. It was the busiest merger day since August. David Wyss, chief economist at Standard and Poor's DRI, was quoted by the AP (Nov. 24): "Irrational pessimism has (now) been replaced with irrational optimism." Another term for monopolization and job-reducing mergers is to call it a business "dating game" or "corporate courting." So far in 1998 there have been 10,000 mergers totaling $1.5 trillion (CBS Nov.23). In 1997 mergers totaled $910 billion (Moneyline Nov.23). Stockholders like "merger mania" hoping their holdings will be bought up and bid up.

Mergers included Unum buying Provident for a stock swap of about $5 billion. Tyco International offered $11 billion as a White Knight for AMP (topping a $10 billion hostile takeover bid by AlliedSignal). B.F. Goodrich is buying Coltec for $2.2 billion. Union Pacific Resources is selling its domestic gas operation to Duke Energy for $1.35 billion. Entergy is selling Citi Power to AEP

Resources for $1.16 billion. Lowes is buying Eagle Hardware and Garden for $1 billion.

Union Camp and International Paper (CNBC Nov. 24) are combining in another "zeal to deal."

Seagull Energy (CNN Nov. 25) is buying Ocean Energy for $1.1 billion in stock. It will be the tenth largest independent exploration and production company in the U.S.

J.C. Penny (whose Board includes a former Governor of Texas) is buying Genovese (drug stores) for more than $430 million in stock (CNN Nov. 24) and the assumption of $60 million of debt.

The buy will bring its total number of drugstores to 2,900 in 20 states.

Charles Peabody, Banking analyst with Mitchell Securities, said the Deutsche buyout of Bankers Trust smacked of "a little bit of desperation" after J.P. Morgan had earlier rejected a merger (Moneyline Nov. 23). The buying price of $93 a share for BT will give shareholders a 43% premium. BT stock has almost doubled since a Oct. 7 low. In April BT stock was $136.

The Tiger is set to combine with Pegasus (the red horse) to make the world's largest industrial merger ever between. Exxon may pay $61 billion for Mobil-the

number two U.S. oil company. The result of the merger would be the world's largest publicly-traded oil company-the second-largest marketer of gasoline in the U.S. The new $236 billion company would still be smaller than Shell/Texaco but ahead of British Petroleum and Amoco. If the merger goes through it would be a reversal of the landmark 1911 anti-trust decision which broke up Standard Oil. Exxon was formerly known as Standard Oil Co. (New Jersey). As of December 31, 1938, Standard Oil Co. (New Jersey) stock was primarily owned by the Rockefeller family, Standard Oil of Indiana and the Harkness family. At one time Standard Oil (Reuters Nov. 28) controlled 90% of U.S. refining.

AOL BUYS NETSCAPE

American Online will become the world's largest internet provider, distribute Netscape's browser and own two of the four most popular web sites. The merger is valued at $4.2 billion. AOL (Nightly Business Report Nov. 24) now has some 14 million on-line users and its stock has increased from $18 3/4 on November 28, 1997 to $91 on November 24, 1998.

PRIOR RECENT MERGERS (BLOOMBERG REPORT NOV. 26)

Bell Atlantic and GTE ($79.8 billion)

SBC and Ameritech ($76.5 billion)

BP and Amoco ($62.2 billion)

AT&T and TCI ($47.3 billion)

NationsBank and BankAmerica ($42.8 billion)

Travelers and Citicorp ($37.4 billion)

Daimler-Benz and Chrysler ($36.3 billion)

MERGER PARTNERSHIPS MAY NOT ALWAYS LAST

Last month (Austin American-Statesman Nov. 28) David Couter, BankAmerica Corp. President, resigned after a reported power struggle with Hugh McColl, chief of merger partner NationsBank Corp.

D.E. SHAW HEDGE FUND IS FOR SALE AFTER TRADING LOSSES

D.E. Shaw, a conspicuously troubled hedge-fund, is up for sale (CNN Nov. 24) after a $370 million trading loss by Bank America that toppled the bank's president-David Couter.

NEWMAN AND DIMON MAY PLAY KEY ROLES AFTER MERGER

AFR Net Services speculated (Nov. 23) on the Deutsche/Bankers Trust merger. The new investment banking unit's co-chief executive may be BT CEO Frank Newman. Former Citigroup Co-CEO, James Dimon, may head a team of executives to "beef up" the BT operations.

PARTICULAR ECONOMIC INDICATORS SUMMARIZED

The third quarter rate of U.S. GDP was revised up to almost 4% (revised up from 3.3%). Inflation is at 1%. Consumer confidence is up after four straight declines. The Commerce Department reported in October (CNN Nov. 25) that personal income was up .4% while personal spending rose. Consumers (CNN Nov. 25) spent more than they earned for the second straight month. One consumer was interviewed: "I have no savings. I put it all on my American Express and then worry about it next month." 6%. Home sales were 4.75 million. The average rate on 30-year fixed-rate mortgages fell (AP Nov. 25) to 6.78% (down from 6.86% the week before and 6.93% two weeks earlier).

FED-WATCHING

The Fed (CNN Moneyline Nov. 25) is watching the spread between corporate bonds and treasury bonds. The difference in what the bonds yield (called the "quality spread") has narrowed in recent weeks to the same level experienced during the last recession (1990-1991).

MARKET FORECASTERS INTERVIEWED ON NOV. 23

Joseph Battipaglia, of Gruntal, was bullish as usual (Moneyline Nov. 23). Hugh Johnson of First Albany was concerned that stocks were over-valued. Individuals are still pouring money into mutual funds like during the last 3-5 years. There is a rising demand and declining supply of stocks because of all the mergers. Ned Riley, of Bank of Boston, said that corporate earnings were still a problem and that there was a "frenzy" in inter-net stocks. Also, the anti-growth policies demanded by the IMF may become a problem.

Corporate profits (CNN Nov. 24) are down 6% from a year ago.

On Nightly Business Report (Nov. 23) Charles Clough, Chief Investment Strategist for Merrill Lynch said there was still "a bubble." He said that earnings were still a problem and that of the 30 DJIA stocks only eight were at a new high. Also, banks, he said, were loaning money to securities buyers as well as buying stocks for themselves. Bank securities buying was up 100% on an annual basis since late August. The market is running way ahead of the trend. European ARDs may be a good investment. Asia is likely to improve.

NEW CABLE TV SHOW TO BE LAUNCHED AGAINST LIFELINE

With woman controlling an average of 70% of consumer spending and 75% of family finances (CNN Nov.24), Oxygen will soon be given to women who watch more TV than men but not cable. Key show figures will include former Nickelodeon boss Geraldine Laybourne, Opraph Winfrey and Roseanne Producer Marcy Carsey. The cable station will start on January 1 in 2000 and compete with Lifeline for younger working women and teenagers.

YIELD ON JAPANESE 6-MONTH BONDS NEGATIVE

The yield on 6-month government bonds in Japan has dropped into minus territory (Nightly Business Report Nov. 23). Japanese banks are paying western banks to hold their Yen deposits as they are desperate to finance their year-end balance positions. Western banks have put the Yen deposits into Japanese T-bills. Wilbur Ross of Rothschild (CNN Moneyline Nov. 25) is very interested in Japan as things become very cheap there: "Japan has about one-third of the whole world's savings and yet the total value of its market is half that of the U.K."

YANKEES OWNER WAS IN TALKS TO SELL BUT STILL CONTROL

George Steinbrenner, owner of the Yankees, was about to do a "double play." The deal called for selling a majority of his shares to Cablevision for $600 million but keeping day-to-day control. Cablevision owns Madison Square Garden, the New York Nicks and the New York Rangers.

Its owns the broadcasting rights for all teams in the New York area except football. Thomas Eagan, of PaineWebber, said Cablevision was posturing itself as an "ala carte" programmer-a sports channel of national prominence (Moneyline Nov. 23). If the Yankee sale went through, he said, cable bills would go up to pay for the addition. But the latest report (CNN Nov. 24) is that the talks are off due to management concerns.

IPOS OF ESTABLISHED COMPANIES UNDERPERFORM ON AVERAGE

Lately Goldman Sachs, when the market looked weak, decided not to go public. A *Forbes* article (Nov. 30) found that of 37 "biggies" that went public since 1994, shares went up on the average by 27%-compared to a 56% rise in the S&P 500. Sometimes IPOs even enrich the old owners.

MUTUAL FUNDS AND MONEY MARKET FUND TRENDS

The net new cash flow for Stock Mutual Funds went from $6.32 billion in September to $2.35 billion in October (Nightly Business Report Nov. 24). In October $46 billion went into money market funds compared to $7 billion in September. Paul Kangus said the money was following interest payments.

$13 BILLION ESTIMATED FOR EQUITY INVESTMENTS IN NOVEMBER

An estimated $13 billion will be put into equity funds this month, according to Carl Wittnebert of Trimtabs.com Investment Research (Boston Globe Nov. 25). This is in sharp contrast with August when $11 billion was jerked from stock funds and is also six times the level of investment in October.

U.S. BANKRUPTCIES UP IN THIRD QUARTER BUT STILL DOWN

Bankruptcies rose 5.1% in the year ending September 30 but personal bankruptcies were down 3.2% in the third quarter. Business bankruptcies were down even more-by 11.7%.

PAKISTAN WILL GET $5.5 BILLION BAILOUT FROM IMF

A $5.5 Billion IMF package (AP Nov. 25) has been agreed upon for sanctions-weakened Pakistan. Final approval will be required next month from the IMF's board of directors. Pakistan now owes $32 billion to international creditors. Loan conditions included structural reform in its banking sector, tax reform to increase the tax base and an anti-corruption provision. The loan will be used to reduce the deficit--$3.5 billion (CNN Nov 25) will be used to roll over outstanding loans.

80% WRITE-OFF OF HONDURAN DEBT TO BE SUGGESTED TO IDB AND PARIS CLUB

Last Friday (IPS Nov. 20) IMF Managing Director Michel Camdessus said he would recommend that 80% of Honduras's $4.3 billion be canceled. Camdessus will make the suggestion at the Inter-American Development Bank (IDB) that will begin on December 10 in Washington. A plea for debt relief will also be proposed to the Paris Club that links the 15 biggest bilateral creditor countries. More than 40% of the Honduran budget goes to servicing its foreign debt-mostly owed to multilateral institutions.

GERGEN INTERVIEWS MOYNIHAN ON SECRECY

David Gergen (BB/CFR/TC) interviewed (News Hour Nov. 26) U.S. Demo. Senator Daniel Patrick Moynihan (CFR) of NY who has written a book called "Secrecy." The U.S. is "infected with a culture of secrecy" that began with the WWI Espionage Act. There was never a law about secrecy but much concern about it. We took the British method of classification from secret to top secret, During WWII the Soviets began to spy in the U.S. In the interview he told an uninterested Gergen that Harry Dexter White was a Soviet agent in the U.S. treasury department.

When the U.S. broke the Soviet Code a KGB agent (Wyspan) was present at the girl's school where the cable was broken. Moynihan also said we knew about

Alger Hiss and other Soviet agents. The Soviet activity was not tremendous but it wasn't trivial. No one ever told the President, he contended, about the "Soviet conspiracy" in the State Department. He said the collapse of the Soviet Union came as "a complete surprise." In a bloodless revolution, the people of Russia overthrew a totalitarian regime of extraordinary power. Jim Charles Lehrer (CFR) was off. Executive Producer of the New Hour, Lester Martin Crystal (CFR) was on.

CIA LOOKING FOR MORE GOOD MEN AND WOMEN SPIES

The largest recruiting drive in a decade (Austin American-Statesman Nov. 28) is being launched under CIA Director George Tenet (CFR) who says today's threat environment is "more diverse, complex and dangerous." Congress has added $1.5 million to the budgets of the U.S.'s 13 intelligence agencies. In the late 1980s the CIA payroll was at least 22,000 employees but is down to maybe 16,000 today.

GRIEDER GRIEVES ON GLOBAL CRISIS DEEPENING AND OFFERS OPTIONS

William Grieder, author of the *Secrets of the Temple* (a "powder-puff" look at the Federal Reserve) and most recently, *One World, Ready or Not*, noted in *The Nation* (Oct. 19) Clinton's September speech to the Council on Foreign Relations (just before Congress approved new IMF funding) in which he called for central banks to consider joint reduction of interest rates. Grieder predicted: "The global system will either be reformed in fundamental ways or we will watch passively as the destabilizing dynamics of unregulated markets continue to deliver random destruction around the world, compounding the loss and misery for innocent bystanders." He advocated a world "bank holiday" modeled after FDR's actions in early 1933. He further suggested relaxing reserve requirements so that bankers will have "plenty of breathing space to restart international lending" and suggested "emergency controls on capital flows" to stop "panicky flights of manic capital." Grieder's regulatory reforms would also include a global "reconstruction finance corporation." And, some forty poor nations would be given a general debt forgiveness.

Grieder, formerly with *Rolling Stone* and a former Assistant Managing Editor of the *Washington Post*, is said by some to be David Rockefeller's godson. In his *Secrets of the Temple* (1987) he did reveal (p. 280) that on three important occasions the Fed was given legislation proposed and enacted by Democrats: the original act of 1913, the 1935 reforms that centralized control in Washington and the 1980 Monetary Control Act that gave the Fed universal control over reserves of private banks. Why the Fed was called "the Temple" was not explained.

U.S. STUDENTS SAID TO BE GETTING FLUNKING GRADES

American students are getting flunking grades according to an unnamed international study (CBS Nov.23). Fewer than 75% graduate here compared to above 93% in Japan, Belgium and Finland.

As of last year 82.1% of Americans had completed high school (NBC Nov. 24). 23.9% had gotten a bachelor's degree. The 41-nation study showed that U.S. students scored lower than students from nine other countries in science. In Massachusetts two-thirds of 8th graders failed or needed improvement in both math and science. William Schmid of Michigan State University said that U.S. education was 'sinking" and that "our curriculum is just not up to international standards." With some 340,000 high-tech jobs un-filled, companies are lobbying Congress to let 190,000 well-trained immigrants enter the U.S.

In the first 10 months of 1998 (Austin American-Statesman Nov. 28) 523,000 U.S. jobs were cut-200,000 more than during the same period last year. Some 3.6 million workers were laid off in the two year period ending December 1997.

NATIONWIDE "BUCKLE-KIDS-UP OR ELSE" CAMPAIGN LAUNCHED

Citing statistics that half of children involved in accidents are not wearing seat-belts, a nation-wide buckle-up crackdown is in operation (CBS Nov.23). Adult drivers with unbuckled children will be stopped and fined by more than 5,000 police departments. Washington D.C. Police Chief Charles Ramsey stated: "No exceptions, no excuses." Last year a similar Memorial Day operation cut fatalities by one-third. It is projected that 700 lives can be saved. The CBS reported ended by saying that one-third of Americans still fail to wear seat-belts and therefore are guilty of "a deadly habit." Rage in the air is getting billing with road rage lately.

AIRPORT X-RAY OPTION NOW AVAILABLE IN NEW YORK AND MIAMI

U.S. Customs (AP Nov. 25), which performs about 1,700 drug-suspect "strip-searches" annually, is giving airline passengers the less embarrassing option of being x-rayed at a nearby hospital. Maybe later all boarding passengers will be forced to walk under a gigantic clothes-penetrating beam but this, of course, has not even been suggested. About 35% of those searched annually are found to be carrying drugs. The Customs Service is training employees to use "magnetic imaging machines" that may be used to replace strip searches at both JFK (NY) and Miami International.

SOCIAL SECURITY FUND ONE REASON FOR CLAIM OF A SURPLUS

Bob Livingston revealed (Meet the Press Nov. 22) that the Social Security "trust fund" has been used to reduce the deficit since LBJ instituted the practice in 1967. Interviewer Tim Russert said that when Reagan first became President the deficit was $60 billion and $200 billion in 1988. Livingston said that Reagan had increased the defense budget which caused the collapse of the Soviet empire. The new Speaker said: "The American people are over-taxed and they deserve a tax cut..."

TONY BLAIR BILL WOULD ABOLISH VOTING RIGHTS OF HEREDITARY PEERS

A bill now before the British Parliament would abolish the parliamentary voting rights of hereditary peers-who the AP (Nov.24) described as "the mainly Conservative scions of ancient blue-blood families." Of 1,164 peers, 759 are hereditary. Blair will give up his right to appoint life peers. Blair also plans greater protection for rape victims, reform of the legal aid system and a major shakeup of welfare benefits. Other bills could provide for election of the mayor of London and more labor union rights. The speaker will now be able to turn his back on the Queen.

PUT SADDAM ON TRIAL FOR WAR CRIMES, SAYS JUNIOR MINISTER OF GREAT BRITAIN

Derek Fatchett, a junior foreign minister, told representatives of 16 Iraqi dissidents that Britain supports proposals to set up a U.N. court to try Saddam Hussein for war crimes. Reuters (Nov. 24) said that Fatchett urged an international "indict Saddam" campaign. Last month Clinton signed a $93 million aid bill for foes of Saddam Hussein. Last Sunday Ed Bradley interviewed a defector from Hussein's inner circle. Since the Gulf War Saddam has built 48 enormous new presidential complexes. Iraq smuggles about 100,000 barrels of oil a day using the Iranian flag. His eldest son, Odai, has a room full of money.

TURKEY SEEKS EXTRADITION OF REBEL LEADER

Turkey is seeking to extradite Ocalan-a Kurdish rebel leader who is holed-up in Italy. He is described (CNN Nov. 25) as a most wanted man who is blamed for 29,000 dead in a "separatist" war. Turkey's coalition government fell apart Wednesday after a no-confidence vote. It was the 5th government to fall in three years. Turkey may pass a bill forbidding the death penalty.

CASTRO SAYS HE IS "ABOVE ARREST"

According to Martin Arostegui, writing in *Insight Magazine* (Dec. 7), Castro was asked in Spain, while speaking to an international conference of Latin American presidents, whether he was afraid of an extradition order. He replied: "I belong to a species which is above arrest."

PINOCHET HELD NOT IMMUNE IN 3-2 LAW LORDS DECISION

A major of the five Law Lords decided Wednesday (Reuters Nov. 25) that Augusto Pinochet has no immunity from prosecution on charges of murder, torture and genocide. The ruling held that the crimes alleged were international in nature that could never be normal acts undertaken in the functions of a head of state. Former sovereigns have narrower immunity than sitting rulers. British Home Secretary Jack Shaw originally had until December 2nd to decide whether or not to block Pinochet's extradition. A Chilean plane was waiting near London as the Law Lords announced their decision.

David Bull, of Amnesty International, said the verdict was "a message to all murdering regimes." Kenneth Roth, Executive Director of Human Rights Watch, said: "This decision will give future tyrants pause before they embark on a path of mass murder." Alfred Rubin, a Tufts Professor of International Law, said that Spain could ask the U.S. to extradite Henry Kissinger (BB/CFR/TC) for involvement in Allende's overthrow as well as President Nixon (if he were still alive).

Andreas Frank Lowenfeld (CFR), Professor of International Law at New York University Law School, said (CNN Nov 25) that: "I think it is clearly an unprecedented decision. It puts the House of Lords...in the position of saying yes there are universal crimes of genocide, torture, terrorism, disappearance and so on...that cannot be granted any kind of immunity." He added: "(T)he traditions of immunity don't apply when certain acts that cannot be performed lawfully by a state or the head of state are at issue. In that sense it is a novel ruling in a peacetime context."

The NY professor also said that the crimes alleged were "made unlawful in these particular conventions." When asked if former President Bush could be tried in some country, he said: "Bush did send 20,000 troops to kidnap former President Noreiga of Panama. And that one is more questionable."

British Barrister Geoffrey Robertson said (CNN Nov. 25) that it was "a historic moment for human rights, a great day for international law. The result of this ruling is that the torturers of the 21st century can tremble in a way that those of the last half century since Nuernberg have had no worries at all."

Jack Shaw will need another week to decide and will announce his decision on December 9.

Pinochet has been supported by Margaret Thatcher who believes he should be allowed to return to Chile. A deal may be made soon (AP Nov. 28) to allow Pinochet to return home to stand trial.

Salvador Allende Gossens (1908-1973) was elected as president in Chile in 1970. He nationalized the copper industry and instituted various socialist programs. After strikes in 1972 he declared martial law. After a failed coup attempt, the second coup succeeded in 1973 and Allende was killed. General Augusto Pinochet Ugarto became dictator of Chile. In the mid-1970s, the role of the CIA and U.S. State Department in creating strikes, destabilizing the government and ousting Allende was made public.

The European parliament in Strasburg voted almost unanimously for Pinochet's extradition.

TED TURNER'S COLD WAR SERIES FEATURES LOTS OF ELITES

The series concept was developed by Ted Turner (M). Of three consultants, one is Lawrence Freedman (BBGB), head of the department of War Studies, Kings College, U.K. Another of the three consultants is John Lewis Gaddis (CFR). The 1945-1991 series is also affiliated with the Cold War International History Project of the Woodrow Wilson International Center in Washington D.C. and the Institute of Universal History in Moscow. Last Sunday those interviewed included Brent Scowcroft (BB/CFR/TC) (Bush National Security Adviser), Walt Whitman Rostow (CFR) (Aid to JFK), McGeorge Bundy (BB/CFR/S&B 1940) and Raymond L. Garthoff (CFR) (U.S. State Department). During the Berlin Crisis LBJ went as JFK's personal representative accompanied by General Lucius Clay (CFR). General Clay ordered armed escorts for U.S. diplomats and move U.S. tanks up to "Checkpoint Charlie." Clay was Senior partner for Lehman Brothers (s. 1963) as well as Chairman of Continental Can Co. He was also a director for Allied Chemical Corp., American Export Corp., Standard Brands, Inc., Chase International Investment Corp. and Cental Savings Bank.

BLACKS FOUR TIMES MORE LIKELY TO BE PREJUDICED SAYS FOXMAN

The national director of the Anti-Defamation League (ADL), Abraham Foxman, said Monday that blacks are four times as likely as whites to hold prejudiced views of Jews. Foxman blamed Nation of Islam leader Louis Farrakhan and others for promoting anti-Semitism. When Mike Wallace interviewed Louis Farrakhan, on 60 Minutes, and told him he was Jewish, Farrakhan replied: "There are those who say they are Jewish and those who are not." In 1992 the ADL survey showed that 20% of Americans agreed that "Jews have too much power" and "Jews are more loyal to Israel than America." The latest poll shows only 12% now maintain such opinions. The fraternal ADL and the Federal Reserve System were both created in

1913. According to the columnist Jonathan Rosenblum, in the *Jewish World Review* (Nov. 24), less than 7% of American Jews describe the study of the word of God as a crucial aspect of their life "and far fewer actually engage in such study." Only 20% now strongly identify themselves with Israel.

FORMER BLACK PANTHER LEADER TO MAKE CHICAGO MAYORAL BID

U.S. Representative Bobby Rush, a former Black Panther leader, announced Monday that he would run against fellow Democrat Richard M. Daley in February. He was quoted by the AP (Nov. 24): "We must reclaim our city from those who manage it as a personal fiefdom for the benefit of a small group of cronies." In 1983 Harold Washington beat Dailey in the primary to become the city's first black mayor. Rush served six months in prison for illegal possession of firearms. He has since promoted gun control legislation and loans for businesses in inner cities.

YELTSIN HOLDS 40 MINUTE HOSPITAL RECEPTION ROOM MEETING WITH ZEMIN

According to the AP (Nov.23) Yeltsin met Chinese President Jiang Zemin Monday at the Central Clinic Hospital despite a 102-degree fever and pneumonia. The pair agreed on a statement on border demarcation and discussed bilateral cooperation and international issues. Yeltsin agreed to pay a visit to China next year for the 7th Sino-Russian summit. Zemin was asked how Yeltsin was doing. He threw up his hands and said: "Fine." After meeting Yeltsin, Zemin met with Russian Communist leader Gennady Zyuganov at the Duma in Moscow. Two weeks ago a diplomat said Yeltsin looked like "a robot on drugs." Under the Russian Constitution the Prime Minister takes over for three months if a president dies or is incapacitated.

MOSCOW MAYOR HIRES YELTSIN'S FORMER PRESS SECRETARY

On Tuesday Moscow Mayor Yuri Luzhkov presented Sergei Yastrzhembsky, former Yeltsin press secretary, to the city council as his deputy for public relations and international affairs.

FUR MAY FLY IN RUSSIA AS FASHION MARCHES ON DURING CRISIS

Vladimir Zhirinovsky attended an elite Italian fashion house's opening and assured the crowd that wealthy Russians will be unscathed by the current crisis. According to the AP (Nov. 24), he was asked who would have the money to afford the fur coats of Fendi. He replied: "(Government) ministers and (parliament) deputies." The Russian Center of the Standard of Living says 79 million Russians, out of a population of 147 million, now live in poverty.

In an April 2, 1989 interview, Zibigniew Brzezinski (BB/CFR/TC) told Brian Lamb: "Socialism in the Soviet Union is socialism for one class. For the ruling class. That

is to say if you are a member of the social elite, you have access to special hospitals, your children go to special schools, you have special resorts, you have special shops that you go to, you have special clinics. Everything for the elite is special."

Since August 17th, the average Russian's income has gone down by two-thirds and many work without any pay. Russia (Austin American-Statesman Nov. 28) has about 280,000 small farms occupying 6% of its arable land.

IMF MUTE AS RUSSIA SEEKS $4.3 BILLION OF $22.6 BILLION PENDING LOAN

IMF officials left Russia on Tuesday (Reuters Nov. 25) without giving any date for the release of $4.3 billion. The latest budget does little to boost tax revenues and supports unprofitable enterprises. P.M. Primakov (Reuters Nov 29) is in the middle between the IMF and Moscow's Communist-led parliament. He dismissed IMF officials as unworldly "kids." Michel Camdessus, a former French central banker, and now IMF Managing Director, will arrive in Moscow Tuesday.

More than 70% of Russian banks (AP Nov. 28) are in the hands of the Mafia.

CHERNOBYL CLEAN-UP REMAINS UNDONE AND NEEDS MORE MONEY

The G-7 countries (NBC Nov. 28) (including the U.S.) have spent more than $300 million to seal off Chernobyl. However, that's only half the funding needed to deal with the infamous site. The cash-strapped Ukraine is appealing to the world for more money to keep the world safely shielded from Chernobyl.

ZEMIN TO WARN BOTH JAPAN AND U.S. REGARDING TAIWAN

The *South China Morning Post* (Nov. 24) said that Chinese President Jiang Zemin is expected to issue "his toughest warning to date against 'meddling' in Taiwan by Japan and the US." Clinton told Zemin (Reuters Nov. 25) that "we don't support independence for Taiwan, or 'two Chinas' or 'one Taiwan, one China', and we don't believe Taiwan should be a member in any organization for which statehood is a requirement." Zemin (News Hour Nov. 26).was not given a written Japanese statement but told verbally of "deep remorse." Japan also endorsed China's claim to Taiwan but wouldn't endorse stronger language sought by China. Zemin was the first Chinese head of state to visit Japan since WWII. Japan (Austin American-Statesman Nov. 28) gave China $3.2 billion in loans over two years to fight pollution and improve flood control.

INDONESIANS EATING GARBAGE TO SURVIVE IN WORLD'S FOURTH MOST POPULATED COUNTRY

In Indonesia (NBC Nov. 26) people are picking through and eating garbage to survive. Dr. Robert Kim-Farley, of the World Health Organization, said that because of malnutrition: "We will see a generation that is not able to be competitive in a global economy." One of three Indonesian children dropped out of school last year. Stephen Woodhouse of UNICEF said: "They'll become street-workers.

NATO SHOULD BE FREE TO ACT WITHOUT SPECIFIC UN MANDATE SAYS U.S.

The U.S. wants NATO (Austin American-Statesman Nov. 28) to be able to act in exceptional circumstances without a specific mandate from the UN Security Council. During the Kosovo crisis NATO authorized military action on its own against Yugoslavia.

USS ENTERPRISE AND MARINE ESCORT SHIPS ARRIVE IN GULF

With the arrival of the USS Enterprise in the Gulf, the AP reports there are now some 19 warships with 17,000 sailors and marines in the region.

NEW ARAB AIRPORT AT GAZA OPEN FOR BUSINESS

Celebrations have been wild over the new international airport at Gaza. No Israeli will sit in the control tower or operate any area of the airport. But Israel will be able to shut down the airport at any time, will pre-approve all flight schedules, passenger lists and decide which airlines can land.

Yasser Arafat (AP Nov.25) celebrated the opening with a plane trip to Paris.

INFLUX IN RUSSIA TO ISRAEL IMMIGRANTS EXPECTED

An additional 20,000-to 60,000 additional Jews may immigrate next year (Israel Alert Nov. 30) after recent statements by a communist Duma member blaming Jews for economic woes.

KISSINGER SAYS NO MORE LAND TO PALESTINIANS

At a dinner organized by Ben Gurion University in New York, Henry Kissinger (BB/CFR/TC) said (Israel Alert Nov. 30) that no more territory should be turned over until permanent status talks begin due to security concerns.

FINANCE MINISTER MEETS ON $1.2 BILLION REDEPLOYMENT AID

Israel Finance Minister Yaakov Ne'eman met with Under-Secretary of State Stuart Eisenstadt and Assistant Secretary of State Martin Indyk on November 22 (Israel Alert Nov. 30). The aid detail teams will begin work within a week.

PLO TO BE GIVEN DONOR FETE ON MONDAY

According to IsraelWire (Nov.22) a Washington "donor function" will be held on November 30 to attract new investors for the PLO Authority (PA). Clinton spokesman James P. Rubin (CFR)

said some 50 nations and multilateral organizations have been invited to attend. Pledges of $4 billion resulted from the last conference after the signing of the Oslo accords in 1993. Washington will also boost its aid for the PA from the $500 million pledged in 1993. Aid to Israel, now at $3 billion annually, will increased to more than $4 annually.

SENATOR LUGAR INTERVIEWED IN MOSCOW

Senator Richard Lugar (RS) said on ABC's This Week last Sunday that failure to use force on Iraq last week was a mistake: "This is a menace, not only to the area but the national security of the United States." Ground forces should not be ruled out. George Will (TC) asked Lugar how the U.S. could topple Saddam Hussein without ground troops. Lugar answered: "There clearly has to be that possibility." Will also said there was a need for men on the ground "with rifles." George Stephanopoulos (CFR/RS) said that it was surprising that the president's lawyer made no defense: "He simply attacked Ken Starr." Will predicted that impeachment will come out of Hyde's committee but die on the House floor.

MEXICO PRIVATE BANK BAILOUT FIGURE WENT UP $12 BILLION

A Mexico private bank bailout (Austin American-Statesman Nov. 28) may total as high as $67 billion. Legislators shouted "resign, resign" to Finance Secretary Jose Angel Gurrig late Thursday. In March the estimate of the cost of the bailout was only $55 billion. The increase was blamed on accrued interest.

NO BANK RUNS PLEASE (OUR VAULTS ARE USUALLY VERY EMPTY)

The Fed, concerned about bank runs, has printed an additional $500 for each U.S. family to prepare for the YD 2000 crisis (CNN Nov. 24). James Chessen, Economist with the American Bankers Association, urged depositors to stick with their banks: "The safest place for your money is a bank."

PANICKY TAIWAN DEPOSITORS WITHDRAW FUNDS

The Taichung Business Bank was flooded with withdrawing depositors (AP Nov.25) after the bank's chairman and other directors were dismissed on charges of making improper loans to shaky investment and property concerns.

MANDATORY FDIC DIRECT DEPOSIT AND CUSTOMER PROFILE REGULATIONS PENDING

According to WorldNetDaily (Nov. 24) banks will profit handsomely if pending as new regulations are implemented to require all forms of pay to be made through compulsory direct deposit. New laws may prohibit any cash transactions between individuals or companies in excess of $100. All FDIC insured nonmember banks will soon also be required to develop and maintain intrusive "Know Your Customer" programs. The Christian Alert Network, headed by the Rev. Curt Tomlin, says that the FDIC has given the public until December 27 to offer comments. The proposed regulation is based on Section 8(s)(1) of the Federal Deposit Insurance Act (12 U.S.C. 18189s) (1), as amended by section 259(a)(2) of the Crime Control Act of 1990 (Pub. L. 101-647). Comments may be sent to Robert E. Feldman, Executive Secretary, Attn: Comments/OES, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429 or faxed to (202) 898-3838.

COSTLY U.S. USE OF CHECKS SPURS FEDERAL RESERVE AND TREASURY TO ENCOURAGE DIRECT DEPOSIT

Lucinda Harper of the Wall Street Journal reported that 65 billion checks will be written this year. Alice Mitchell Rivlin (CFR/TC), Vice-Chairwoman of the Federal Reserve, said the U.S. is the only industrial country in which per-capita check-writing is rising. BIS data says that non-check payments per-person are 25% in the U.S. compared to 75% in Japan, 70% in Europe and 59% in Canada. Checks cost the nation $181 billion a year and are 20 times more likely to invite fraud. The Federal Reserve, Treasury Department and other groups have formed the Direct Deposit Coalition to persuade more businesses to use direct deposit services. Only 30% of small businesses offer their employees the choice of direct deposit now.

REPEAT FLOOD VICTIMS MAY LOOSE FEMA INSURANCE

After spending more than $20 billion in the last ten years (AP) to rebuild from natural disasters, FEMA is planning "more muscular tactics" to discourage people from living in flood-prong areas.

Those with repeated losses may be cut-off from federal insurance.

BUREAUCRATS BENEFIT THE MOST FROM AID TO THE POOR

According to Walter Williams, an Economics Professor, if all funds appropriated for the poor were given directly to them, a poor family of four would receive $34,000 a year. However, once the administrators take their $26,000 cut, the poor end up only with $8,000 a year. Lewis K. Uhler, SETTING LIMITS 94 (1989). Thomas Sowell (Austin American-Statesman Nov. 21) said of bureaucrats: "The one thing that all bureaucrats have in common is the notion that the bureaucracy is never

wrong. If anything has gone wrong, it had to be someone else's fault, preferably the fault of whoever complains about the bureaucracy." He added: "When some people speak glowingly of how 'society' ought to solve this or that problem, they fail to note that 'society' really means government, and government in the flesh consists of bureaucrats, politicians and judges."

MCDOUGAL ACQUITTED ON ALL NINE COUNTS

Susan McDougal, who has spent 18 months in jail for refusing to give Whitewater testimony, was found not guilty Monday after a ten-week trial. The jury's acquittal was on nine separate counts- including forgery and failure to pay state income taxes. She now faces a February 16 trial on charges of contempt and obstruction of justice.

WOLFMAN BLITZER INTERVIEWS LARRY KING ABOUT HIS NEW BOOK

In King's very first appearance as a guest on the Larry King Show (Nov. 28), Wolf Blitzer held up Kings' book, "Powerful Prayers," written at the suggestion of his daughter. King said as an admitted agnostic, he began the book as a "1" but now is a "4" after being guided by an Orthodox Rabbi in a journey. Among the offerings during the interview: Barbara and George Bush pray every night and when not together do so over the phone. Margaret Thatcher will discuss any subject but prayer. Dr. Kovorkian doe not pray because he has seen too much death. King said in an aside to fill-in and White House correspondent Blitzer: "We're both Jewish." As a child King feared the God of the Old Testament. Today he says: "There's something there, some power. I don't know what it is." He also said Clinton had agree to contribute to the book seven times but didn't. Blitzer said Clinton has become more spiritual and goes to church.

BEING A GRANDMOTHER IS INCREASINGLY DEADLY

A study of 100 grandmothers (NBC Nov. 26) found that 75% were overweight, 50% had high blood pressure and 25% were diabetic. Since 1970 the number of U.S. households headed by grandparents has increased by 76% (from 2.2 million to 3.9 million in 1997). Nearly half of the grandparents are women raising children all alone.

HYPERREGULATIONIST YALE PSYCHOLOGY PROFESSOR ADVOCATES FOOD POLICING

Lisa Ronthal (Nov. 24) reports that Yale Professor Kelly Brownell wants fat to go the way of tobacco and contends that "the government should subsidize the sale of healthy food, increase the cost of non-nutritional foods through taxes, and regulate food advertising to discourage unhealthy practices." Brownell sees no difference between Ronald McDonald and Joe Camel. Ronthal also stated:

"Tobacco was just for openers. Guns are next." Kate O'Beirne, with National Review, said (Capital Gang Nov. 28) that public health fanatics want subsidies for favored foods and taxes "on all the good stuff."

DESIGNER OR "FUNCTIONAL" FOODS BEING MADE

Coming soon to you. Eggs that fight heart disease. Broccoli that fights cancer. Margarine that lowers cholesterol. Functional foods (NBC Nov. 26) will be a $30-$40 billion market in the next 5-10 years. Out of 50 varieties of broccoli at the University of Illinois, some have thirty times the cancer-fighting compound. It will soon be part of everyday life to feed your family vegetables that have added nutritional power.

NEW FBI IS TURNING TO SCHOLARS TO AVOID STAND-OFF PROBLEMS

The FBI (NBC Nov.28) is turning to scholars to learn better how to keep the peace.

HATCH SAYS THAT WITHOUT SOFT MONEY REPUBLICANS WOULD DIE

U.S. Senator Orrin Hatch said (Capital Gang Nov. 28) that unions spend between $100 and $500 million every two years in local, state and federal elections. More than 99% goes to support Democrats. He said that there is nothing Republicans can do to match that: "You take away soft money and we are dead."

CHIEF JUSTICE TALKS WITH BRIAN LAMB

Chief Justice William Rehnquist (C-SPAN Nov. 28) said the number of cases taken by the Supreme Court has declined from 150 cases when he started to about 75-80 cases a year. He said he found Justice Holme's "pithy" condensed opinions unsatisfying but they were very refreshing to read. Marshall is a hero. Rehnquist pointed out that the House of Lords in England lacks the power to set aside an act of Parliament-unlike the U.S. Court.

NEW BATF DATA TO BE USED IN NEW YORK ANTI-GUN CASE

Beside the New Orleans and Chicago filings against gun manufacturers, another case has been filed by victims of gun violence and is set to be heard in Federal District Court next January in Brooklyn, New York. New statistics (Austin American-Statesman Nov. 28) are expected to be used by the plaintiffs (in Hamilton v. Accu-Tek) that contend that nearly 40% of all handguns used in crime have been purchased from licensed dealers within the preceding three years. David Kennedy, Director of the Boston Gun Project and researcher at the Harvard JFK School, says the data "is hugely significant."

BIOGRAPHY FEATURE ON NORIEGA DETAILS HIS LIFE BEFORE FEDERAL PRISON

Jack Perkins on Biography (A&E Nov. 25) said it has been six years since Manuel Antonio Noriega went to prison for drug charges. He rose to power by violence and was nick-named "pineapple face" after chick pox in his youth. Noriega lied about his age to enter military school after failing in medical school but he graduated with honors. When he got drunk he hated women. He raped a prostitute and a teen-aged girl but got protection. After a good marriage he became head of regional intelligence in 1967 and worked for the CIA. In U.S. training his grade was the top of his class. He eventually came to power after his military mentor, Trujillo, died in a plane crash on July 30, 1981. Noriega became the first non-white military leader of Panama. In 1984 his selected candidate became president. He kept a mistress. The head of the CIA, William Casey, thanked him personally for his work after he spied on Castro.

When Dr. Hugo Spadafora tried to expose Noriega, his headless body turned up in Costa Rica after being arrested by Panamanians (Noriega was in London at the time). This began the U.S.'s disillusionment with Noriega. In February 1988 he was indicted in Miami for drugs. When the U.S. delegation cautioned him, he replied he was the voice of the people-not millionaires. His second in command, Roberto Diaz Herrera, tried a coup and was kicked out of the army. Herrera then made public murder charges which led to protests that were repressed by the so-called populist dictator. President Reagan warned him to "stand down." Vice-President Bush said not to negotiate with him. The CIA and Defense Department disagreed with the State Department. Noriega broke off negotiations saying: "I don't speak to Americans-only to Panamanians."

Elliot Abrams (CFR), former U.S. Secretary of State and also with the Hudson Institute, said that when Noriega said "no" to Reagan "his fate was sealed." Bush decided he had to go to jail and proved that he wasn't a wimp. After Jimmy Carter (CFR/TC) took the trouble to oversee elections in 1989, Noriega simply announced that his candidate had won. Then Vice President Guillermo Ford was beaten up by thugs. Bush backed an October coup attempt that failed when the Panamanian rebels released their captive (Noriega). The rebel leaders were executed. Noriega claimed: "The Americans are imperialists and piranhas who want to gobble up the Panama canal."

He used unnecessary bombast and rhetorically declared war on America.

On December 20, 1989 President Bush ordered 12,000 troops to invade Panama. Noriega was captured at the Vatican embassy after several days of loud rock music and a promise that he would not be executed. 23 U.S. soldiers died in the foreign invasion that was unprecedented since Mary, Queen of Scots. The only evidence against him came from convicted drug traffickers. He was convicted by a jury after a 9-month trial and given a 40-year sentence. He is the only U.S.

prisoner who wears a general's uniform and is the only POW. His lawyers want his sentence reduced to15 years and are appealing. Meanwhile, few want him back in Panama. He says he is now a Christian and does not hate former president Bush.

HOPELESS BATTLE AGAINST DRUGS ON SOUTHERN BORDER

Bill Curtis (A&E Nov. 25) ended his report on "Drugs on the Border" with a "lost cause" slant.

10 years ago Columbia was the problem-now it is Mexico. About 60-65% of the cocaine in the U.S. comes from the 2,000-mile Mexico-U.S. border. If 19 of 20 shipments are caught, there is still a profit. Don Ferrarone, former Texas Border DEA Chief, said it was just blowing smoke to begin a defense at the Texas border-the save havens of the drug lords must be dealt with. The criminals have co-opted all Mexican government agencies that should be working against them. Mexican police don't cooperate and some even help get the drugs up to the U.S. border. Juarez is now the main entry point. 100,000 trucks crossed at Laredo last year. Now 1 million trucks cross. Some feel the government is only making a show. Ferrarone said seizures should be increased to stop the money going back south after the drugs are sold. During the show one of the agents had a El Paso Metro badge with a skeleton head in the middle. A major raid was made on a trucking operation. When a residence was busted, the focus was on documents and weapons. The raid netted new cars, two handguns and $8.200. No drugs were reported found. The show said you would need a U.S. soldier posted every 50 yards on the 2,000-mile border to stop the flow.

OTHER NEWS FROM THIS WEEK

Cigarette prices at wholesale (CNN Nov. 24) have been raised $0.45 a pack following the $206 billion tobacco settlement announced last week.

Italy's Constitution (CNN Nov. 24) forbids extradition of suspects who face the death penalty.

Diane Sawyer (CFR) interviewed Kenneth Starr on Wednesday's 20/20. David R. Gergen (BB/CFR/TC) appeared on Larry King (CNN Nov. 27) with Wolf Blitzer. A Jessie Jones biography (Nov. 27) by Walter Cronkite included interviews with Arthur Schlesinger, Jr. (CFR) and Paul M. Warburg Professor John Kenneth Galbraith. Jones had billions of dollars to spend without getting anyone's approval.

Jack Kovorkian may defend himself on 1st-degree murder charges.

The Swiss (Reuters Nov. 29) are voting today on legalizing drugs.

B'nai B'rith International has nominated Jordan's King Hussein (33rd M) for the Nobel Peace Prize. In a letter to the Nobel Committee, B'nai B'rith president Richard Heideman said his participation was "instrumental" in concluding the October 23rd Wye River accord.

Consumers Report (NBC Nov.24) studied late packages and said FedEx (3%) was best followed by UPS (6%) and the U.S. Post Office (35%). But a post office official said changes had been made to bring its service up to speed.

Animals and humans have more than 250 diseases in common.

Pope John Paul II Friday (Austin American-Statesman Nov. 28) called for better-off nations to ease or substantially eliminate Third World debt.

EPA regulations enacted in September 1988 (Austin American-Statesman Nov. 28) for underground storage tanks will be enforced beginning December 22. The average compliance cost is between $7,000 and $10,000-the most severely impacted will be Mom and Pop stations.

QUOTES ON DEBT

"International law is clear on this point, stipulating in absolute terms that, whether a change in government springs from internal revolution or from invasion by an outside conqueror, the new government is legally responsible for the country's outstanding debts. Like the rules of war, the rules of sovereign borrowing are unaffectedly civilized." --Judy Shelton, THE COMING SOVIET CRASH 90 (1989).

"I am afraid the ordinary citizen will not like to be told that banks can and do create money...And they who control the credit of a nation direct the policies of governments and hold in the hollow of their hands the destiny of the people." Reginald M. McKenna, Chairman of the Board of the Midlands Bank in England, quoted by Carroll Quigley, TRAGEDY AND HOPE 325 (1966).

"We must make our election between economy and liberty, or profusion and servitude. If we run into such debts as that we must be taxed in our meat and in our drink, in our necessities and our comforts, in our labors and our amusements, for our callings and our creeds...our people...must come to labor sixteen hours in the twenty four, give our earnings of fifteen of these to the government...have no time to think, no means of calling our own mis-managers to account; but be glad to obtain sustenance by hiring ourselves out to rivet their chains on the necks of our fellow- sufferers...And this is the tendency of all human governments ...till the bulk of the society is reduced to be mere automatons of misery... And the forehorse of this frightful team is public debt. Taxation follows that, and in its

train wretchedness and oppression." -Thomas Jefferson (1816), BASIC WRITINGS OF THOMAS JEFFERSON, pp. 749-50.

"There is not a man in the country that can't make a living for himself and his family. But he can't make a living for them and his government, too, not the way this government is living." --Will Rogers

"If you control food, you control people, If you control oil, you control nations. If you control money, you control the world." --Henry Kissinger week006.htm

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